



## **PAY POLICY STATEMENT 2019-20**

# CONTENTS

		Page
1.	Purpose	2
2.	Scope	3
3.	Definitions	3
4.	Pay and Grading Structure	5
5.	Relationship between remuneration of 'Chief Officers' and 'employees who are not Chief Officers'	5
6.	Remuneration on Appointment	6
7.	Market Review & Supplements	6
8.	Incremental Progression	7
9.	Additional Payments	7
10.	Other Allowances	8
11.	Bonus Payments	9
12.	Health Care Cash Plan	9
13.	Pension Benefits	9
14.	Honoraria	10
15.	Salary Protection	10
16.	Severance Payments	10
17.	Re-Engagement of Employees	10
18.	Publication and Information Access	11
	Appendix A - Pay and Grading Structure, effective 1 April 2019	

## 1. Purpose

- 1.1 Basingstoke and Deane Council is committed to delivering a fair, equitable and transparent policy covering pay and other employee benefits which improves flexibility in delivering services and provides value for money. It takes into consideration all legal requirements and will be applied in accordance with the Authority's Equality and Diversity commitment to treat all its employees with dignity and respect.

Within the framework of its terms and conditions of employment, the Council aims to develop and maintain appropriate pay systems and benefit packages to attract and retain motivated, flexible people who take responsibility, work as a team, improve performance and acquire new skills.

- 1.2 This Pay Policy Statement is provided in accordance with Section 38(1) of the Localism Act 2011 and will be updated annually from 31 March each year.
- 1.3 This Pay Policy Statement sets out the Council's policies relating to the pay of its workforce for the period from 1st April 2019 to 31st March 2020, in particular the:
- Remuneration of chief officers;
  - Remuneration of the lowest-paid employees;
  - Relationship between the remuneration of chief officers and employees who are not chief officers.
- 1.4 The statement meets the Council's obligations under the Localism Act 2011 and will enable the elected members of the Council to make decisions on pay.
- 1.5 The Council's Human Resources Committee approves staff retention packages and incentives and recommends to Full Council approval of any element of discretion involving the Local Government Pension Scheme that falls outside the delegated powers of the Head of Paid Service and Head of Human Resources and Organisational development. The committee comprises elected Councillors and has responsibility for local terms and conditions of employment for staff within the council's pay framework.
- 1.6 The Council's Pay Policy Statement will be agreed by Full Council before the beginning of each financial year and will then be published on the Council's website. The statement may also be amended during the course of the year if necessary by the HR Committee, the HR committee can refer with recommendations to Full Council on any major changes to the policy in year.
- 1.7 The Council will endeavour to maintain the constructive partnership approach it has developed with the recognised Trade Unions and will continue to work closely with them on pay issues.

## **2. Scope**

- 2.1 This statement applies to all employees of the Council employed under the conditions of service of the following bodies:

National Joint Council for Local Government Services;

- Joint Negotiating Committee for Chief Officers of Local Authorities;
- Joint Negotiating Committee for Local Authority Chief Executives;
- National Joint Council for Local Government Services

## **3. Definitions**

For the purposes of this Pay Policy Statement the following definitions will apply:

### 3.1 Remuneration includes three elements:

- Basic salary;
- Pension;
- Any other allowances arising from employment.

### 3.2 Chief Officers

Under the Localism Act 2011 a Chief Officer is defined as:

- The head of the Council's paid service designated under section 4(1) of the Local Government and Housing Act 1989;
- The monitoring officer designated under section 5(1) of that Act;
- A statutory chief officer mentioned in section 2(6) of that Act;
- A non-statutory chief officer mentioned in section 2(7) of that Act;
- A deputy chief officer mentioned in section 2(8) of that Act.

In Basingstoke and Deane Council this definition would apply to the following posts:

- The Chief Executive (Head of Paid Service)
- The Head of Law and Governance (Monitoring Officer) and the Executive Director of Finance and Resources (Section 151 Officer) as the council's statutory Chief Officers
- Executive Director of Borough Services, Executive Director of Borough Development and Deputy Chief Executive as non-statutory Chief Officers
- Deputy Chief Officers i.e. all other Heads of Service and all senior managers if reporting directly to, or directly accountable to, a statutory or non-statutory Chief Officer in respect of all or most of their duties (excluding roles which are clerical or secretarial).

Role	Remuneration
Chief Executive	£149,090*
Directors	£99,101 - £104,438
Project Directors	£92,196 - £95,990
Heads of Service	£69,582 - £82,832
Other Chief Officers	£46,840 - £69,582

\*Includes all charges, fees, allowances and benefits in kind, but excludes the Returning Officer's fee

The contractual remuneration package for Chief Officers includes a car allowance. This benefit also applies to all staff at Grade 9 and above who are not Chief Officers.

### 3.3 Definition of a Day's Pay

The definition of a day's pay is the hours worked on the day multiplied by the employee's hourly rate of pay.

### 3.4 Lowest Paid Employees

This refers to employees on Grade 2. This definition has been adopted as it is the lowest level of remuneration attached to a post within the Council. The lowest pay point value with effect from 1 April 2019 will be £10.14, as per the second year of the National Joint Council for Local Government Employees' (NJC) pay deal. This is greater than the projected National Living Wage rate at that date.

The lowest paid employees are paid within the salary range for Grade 2 which covers four salary points ranging between £ 19,554 and £20,751.

The lowest paid employees do not include apprentices for whom there are separate pay arrangements as follows:

- During first year of employment:  
£ 203.87 per week (£ 10,637 per annum)
- During second year of employment:  
£ 203.87 per week (£ 10,637 per annum) if aged under 18;  
£ 226.81 per week (£11,842 per annum) if aged 19 – 20;  
£ 284.53 per week (£14,813 per annum) if aged 21 – 24;  
£ 301.18 per week (£15,716) if aged 25 or above

#### **4. Pay and Grading Structure**

4.1 The grading of all posts in the Council, is determined using the K plan job evaluation scheme the council will be moving this year to new evaluation scheme. This is in order to ensure that all posts are graded and therefore rewarded financially through a fair and non-discriminatory process, that there is consistency in treatment between posts and that the Council complies with equal pay legislation. The scheme is an analytical one that takes into consideration three key elements of a post:

- Know How - the levels of knowledge, skill and experience (gained through work experience, education and training) which are required to perform the job successfully;
- Problem Solving - the complexity of thinking required to perform the job when applying Know How;
- Accountability - the impact the job has on the organisation and the constraints that the job holder has on acting independently.

4.2 Basic pay is paid in accordance with the evaluated grade of the post. Each grade comprises a range of pay points. A copy of the Council's pay and grading structure is attached at Appendix A.

4.3 The National Living Wage rates, with effect from 1 April 2019 does not impact on the value of the Council's lowest pay grades as the council pay is of a higher value. Annual pay awards for all employees will be agreed by the Human Resources Committee having regard to any agreement reached by the relevant national negotiating bodies.

4.4 The Joint Negotiating Committee for Chief Officers of Local Authorities and the Joint Negotiating Committee for Chief Executives of Local Authorities have agreed a pay award of 2% each year for 2018/19 and 2019/20.

4.5 Employees in post when a pay award is due but who subsequently leave the Council before it is implemented are entitled to receive the difference in pay. To claim backdating from their date of leaving they must contact the Human Resources.

4.6 Details of senior management remuneration are published annually on the Council's website as part of this Pay Policy Statement and in the Council's Statement of Accounts.

#### **5. Relationship between remuneration of 'Chief Officers' and 'employees who are not Chief Officers'**

5.1 The Local Government Association has offered advice on the Government's requirement in reporting remuneration relationships. The advice is that the measure of the relationship between Chief Officers and employees who are not Chief Officers be considered on the ratio

between the highest paid employee and the median average earnings across the organisation as a multiple. This has been calculated as follows:

Remuneration for the Chief Executive (excluding pension contributions)	£149,090
Median remuneration for all employees at the Council (excluding pension contributions)	£28,847
Ratio	5.17

## **6. Remuneration on Appointment**

- 6.1 All employees are usually appointed to the minimum pay point applicable to the grade of the post. If the employee is already being paid above the minimum pay point, the Head of Human Resources and Organisational development has discretion in some circumstances to appoint to a higher pay point, subject to the maximum of the grade.
- 6.2 Annual increments are not awarded in the first year of employment to employees who commence employment between 1 January and 31 March. This also applies to current employees who receive an incremental rise, for example, due to a change of role, accelerated increment or regrading between 1 January and 31 March. The next incremental rise will be due in April, the following year subject to satisfactory performance.
- 6.3 Where it is necessary for a newly appointed employee to relocate in order to take up a post, the Council may make a contribution towards the reimbursement of relocation expenses in line with the Relocation Allowances Guide.
- 6.4 Human Resources Committee are given the opportunity to consider salary packages over £100,000 before new posts are established and advertised.

## **7. Market Review and Supplements**

- 7.1 The council benchmarks its pay and benefits by comparing pay and rewards for a sample of posts, and will also carry out full market testing against a comparator group. The council will seek to position itself at the upper quartile level in accordance with the aspirations of the council to continue to deliver excellent, high performing services to the community.
- 7.2 For the purpose of pay benchmarking and market testing the comparator group comprises public sector authorities in Berkshire, North Hampshire, Oxfordshire and South Buckinghamshire and authorities in other areas if relevant, who are similar to the council in terms of size (number of employees, population and turnover) and other relevant factors. Jobs within London Boroughs will not be used for comparator purposes due to London weighting allowance. In exceptional circumstances, other external market pay data, including private sector data, will also be considered where relevant. Pay and benefits benchmarking on a sample of posts will be carried out every year, but a full market review will be carried out every five years if required.
- 7.3 There is provision for the award of market supplements where a job has been evaluated under the Job Evaluation Scheme and the resulting salary is proven to be out of step with the market rate for the job. Payment of temporary market supplements include payments such as 'golden hellos', retention payments or regular monthly payments. In situations where a market supplement is being considered a report detailing the business case must be presented to the Head of HR and Organisational Development, who will make the final decision as to whether a supplement is payable, the amount and the frequency of review, in consultation with the Head of Financial Services and the relevant Executive Director.

- 7.4 For Executive Director and Chief Executive posts approval for payment of a market supplement will also need to be given by HR Committee.

## **8. Incremental Progression**

- 8.1 Subject to one year's satisfactory service in the grade, employees are eligible to receive annual increments on 1st April each year until they reach the maximum pay point for the grade of their job. Where circumstances warrant, accelerated increments may be granted by the Head of Human Resources and Organisational development.
- 8.2 This also applies to current employees who receive an incremental rise, for example, due to a change of role. Employees subject to career grade schemes will progress in line with the arrangements for that post.
- 8.3 Increments will be withheld where performance has not met the required standard and where the issue has been raised with the employee formally.

## **9. Additional Payments**

- 9.1 Employees are eligible to receive a flat-rate enhancement for working at night.
- 9.2 Employees are eligible to receive enhancements for working on public holidays.
- 9.3 Employees in posts graded 2 – 10 who work additional hours are eligible to receive time off in lieu or payment at plain time rate for hours worked. Hours worked above 37 hours (full time) will be paid at time and a half. Grade 11 and above, there is no entitlement to pay or time off in lieu for working additional hours. Further details on overtime can be found in the council's overtime working policy.
- 9.4 Employees required to "sleep in" on the premises receive an allowance as agreed by the National Joint Council for Local Government Services.
- 9.5 Employees required to participate in a standby rota due to the nature of their job will receive an allowance based on that agreed by the National Joint Council for Local Government Services as part of the annual pay award.
- 9.6 A Special Responsibility Allowance is paid to the Executive Director of Borough Development and Deputy Chief Executive to reflect the additional responsibilities that would be undertaken by the post holder when deputising for the Chief Executive in his or her absence.
- 9.7 Car mileage for work related travel is classed as expenses, i.e. are not tax deductible and relate to additional costs incurred.

## **10. Other Allowances**

- 10.1 All Chief Officers receive allowances as detailed in the Conditions of Service of the Joint Negotiating Committee for Chief Officers of Local Authorities and the Joint Negotiating Committee for Local Authority Chief Executives. However, where these conditions are silent, or do not cover an allowance or process, the Chief Executive and senior officers receive the same as those employees covered by the National Joint Council for Local Government Services. Conditions of service for all other Pay Policy Statement 2019/20 employees covered by this statement can be requested from the Local Government employers.

### **10.2 Election Duties**

No fees for election duties are included in the salaries of Chief Officers. Any additional fees payable for such responsibilities are calculated in accordance with the statutory rules and

recommendations of the Hampshire and Isle of Wight Election Fees Working Party for all local government elections and by central government for Parliamentary elections. Special fees are paid for Returning Officer duties which are not part of the post holder's substantive role. These fees are payable as required and can be made to any senior officer appointed to fulfil the statutory duties of this role.

The Returning Officer is an officer of the Borough Council who is appointed under the Representation of the People Act 1983. Whilst appointed by the Borough Council, the role of the Returning Officer is one which involves and incurs personal responsibility and accountability and is statutorily separate from his/her duties as an employee of the Borough Council. As Returning Officer, he/she is paid a separate allowance for each election for which he/she is responsible.

### **10.3 Professional Fees**

The Council reimburses annual registration or comparable fees to employees who are unable to practise their professions unless such fees are paid. Professional fees are also paid to employees who are being sponsored to undertake training leading to a professional qualification. However, once the qualification has been gained, the individual will become responsible for paying their own professional fees.

### **10.4 Car Allowances**

Staff are paid for business travel based on their designation, i.e. essential user, cash alternative or casual user and are paid rates as defined in the council's car policy. We operate a salary sacrifice scheme for vehicles which all staff can access once they have been employed for 6 months and have either a permanent contract or a temporary one of a minimum of three years.

### **10.5 Fire Wardens and First Aid Allowances**

Employees who are classified as a 'designated fire wardens or first-aider' are eligible to receive an allowance.

All designated fire wardens and first-aiders will receive an allowance of £200. The allowance will not be used in calculating any enhancements.

## **11. Bonus Payments**

11.1 The Council does not pay any group of employees a bonus. The council does not offer performance related pay to any employee.

## **12. The Health Care Cash Plan**

12.1 The council offers a Health Care Cash Plan scheme and a Benefits Platform which are available to all employees regardless of their role and grade within the council.

## **13. Pension Benefits**

13.1 All employees under the age of 75 are eligible to join the Local Government Pension Scheme. The scheme is a statutory scheme with contributions from employees and employers.

13.2 The scheme allows for the exercise of discretion on the enhancement of retirement benefits. The Council will consider each case on its merits, but has determined that its usual policy is not to enhance benefits for any of its employees.



- 13.3 The scheme provides for flexible retirement. To be eligible to request flexible retirement, the Council requires that an employee must either reduce their working hours by a minimum of 40% and/or be appointed to a post on a lower grade. In applying this provision no distinction is made between employees.
- 13.4 Under the Local Government Pension Scheme, employees who return to work after drawing their pension will not have their pension abated (i.e. reduced or suspended) except where they have been previously awarded “added years”.
- 13.5 The Council does not award “added years” to employees and has not done so since 2006.

## **14. Honoraria**

- 14.1 Subject to certain conditions, employees who are temporarily required to undertake some or all of the duties of a higher graded post are eligible to be paid an honorarium. Heads of Service have the discretion to award an honorarium payment to recognise temporary increased responsibility or work of a particularly high standard. Generally it should be the case that this must have been carried out for at least one month before an honorarium payment will be considered. The amount awarded should reflect the nature and duration of the work or responsibility and not normally exceed the value of an increment point in the employee’s salary scale. The Head of Financial Services and the Head of Human Resources and Organisational Development must be consulted before any action is taken.
- 14.2 Where the employee has been covering in the absence of a more senior officer (i.e. maternity leave cover or long term sickness absence), honoraria payments are calculated based on the difference between the employee’s scale point and the bottom scale point of the role they are covering. Temporary acting-up arrangements of this nature will not exceed more than 12 months duration and should generally be undertaken for at least one month before payment will apply.

## **15. Salary Protection**

- 15.1 The Council will take reasonable steps to protect an employee’s basic pay where it is reduced as a result of:
- Organisational change
  - Redeployment where the individual is at risk of or under notice of redundancy and is redeployed or assimilated into either a lower graded post or a post which attracts a lower total remuneration package than their previous post
- 15.2 The Council protects the remuneration of employees for a maximum of twelve months from the date of the change to basic pay, subject to a maximum of one grade difference or equivalent between the old post and the new post.

## **16. Termination of Employment**

- 16.1 The LGPS requires employers to prepare and publish a written statement of policy in relation to pensions. The Council’s policy on pensions and discretionary payments is set out in the ‘Statement of policy regarding discretionary functions in the Local Government Pension Scheme’. The policy for the award of any discretionary payments is the same for all staff regardless of their pay level. The following arrangements apply:

### **16.2 Early Retirement (Efficiency of Service)**

The Local Government Pension Scheme allows employers certain discretionary powers but the Council’s usual policy is not to enhance pension benefits for any employee. Therefore,

there are no provisions for employees to seek early retirement on the grounds of efficiency of the service.

### **16.3 Redundancy**

The Council has a single redundancy scheme which applies to all employees. Redundancy payments are calculated in accordance with the Employment Rights Act 1996 and the 2006 Discretionary Compensation Regulations and are based on the employee's age, length of continuous local government service and salary. This provides an overall lump sum of two times the statutory redundancy payment multiplier based on an actual week's pay. This is payable to employees made redundant with two or more years local government service regardless of their age. The Council does not provide any further payment to employees leaving the Council's employment other than in respect of accrued annual leave.

Employees who have TUPE transferred into the Council on redundancy terms which are more favourable than those detailed above will retain these provisions as per TUPE legislation.

### **16.4 Settlement agreements**

In exceptional circumstances, and specifically so as to settle a claim or potential dispute, the Head of Law and Governance/Monitoring Officer can agree to enter into a settlement agreement. In such cases, each decision as to the level of payment will be taken on its individual merits and with approval from the Head of Human Resources and Organisational Development and the Executive Director of Finance and Resources/S151 Officer.

Full Council will be given the opportunity to vote on severance packages over £100,000 before they are approved. The Government announced its intention to introduce a cap on Public Sector exit payments in order to restrict these to a maximum of £95,000. This has the potential to reduce both redundancy dismissal and efficiency pension benefits where the Chief Officer is aged 55+ and may have some of their pension benefits reduced where the overall cost of termination exceeds £95,000 including pension strain costs, the policy will be adjusted should this come into law.

## **17. Re-Engagement of Employees**

17.1 Where employees have left the Council's employment due to Voluntary redundancy (with or without release of pension benefits) or settlement agreement within the last 12 months, re-engagement will only be considered in exceptional circumstances where there is a business critical reason.

The above restriction does not apply where an employee was dismissed on the grounds of voluntary redundancy but without an entitlement to a redundancy payment and/or pension benefits, or where an employee was made compulsorily redundant.

17.2 Where it is agreed that a former employee should be offered re-employment with the Council during the 12 month non re-engagement period, the individual will be required to repay either all or a proportion of the severance payment received from the Council. The amount to be recovered will depend on the time that has elapsed since they received the payment. The individual must be advised of this requirement when they are provisionally offered the post.

17.3 Any necessary adjustments to pension would be made in accordance with the scheme regulations. Employees who are offered another post with any organisation covered by the Modification Order Act prior to their redundancy leaving date and commence this post within 4 weeks of that date are not eligible to receive their redundancy payment. The same principle

would be applied to such a person if they were to be engaged by the council on a 'contract for services' basis.

## **18. Publication and Information Access**

- 18.1 This Pay Policy Statement will be published on the Council's website, together with the Council's pay and grading structure and information relating to senior management remuneration. Remuneration details including benefits in kind are set out in the council's published Annual Statement of Accounts and can be accessed via the Council's website.

Pay Scales, Effective 1 April 2019 <sup>1</sup><sup>1</sup> Incorporating changes to pay scale

BASINGSTOKE AND DEANE BOROUGH COUNCIL		
LOCAL VARIATION TO SALARY SCALES		
2019 - 2020 SALARY SCALES		
GRADES 1 - 10		
SCP	Salary	
3	£18,065	Grade 1 £18,065
4	£18,426	£18,426
5	£18,795	£18,795
6	£19,171	£19,171
		Grade 2
7	£19,554	£19,554
8	£19,945	£19,945
9	£20,344	£20,344
10	£20,751	£20,751
		Grade 3
11	£21,166	£21,166
12	£21,589	£21,589
13	£22,021	£22,021
14	£22,462	£22,462
		Grade 4
15	£22,911	£22,911
16	£23,369	£23,369
17	£23,836	£23,836
18	£24,313	£24,313
19	£24,799	£24,799
20	£25,295	£25,295
		Grade 5
21	£25,801	£25,801
22	£26,317	£26,317
23	£26,999	£26,999
24	£27,905	£27,905
25	£28,785	£28,785
		Grade 6
26	£29,636	£29,636
27	£30,507	£30,507
28	£31,371	£31,371
29	£32,029	£32,029
30	£32,878	£32,878
		Grade 7
31	£33,799	£33,799
32	£34,788	£34,788
33	£35,934	£35,934
34	£36,876	£36,876
35	£37,849	£37,849
		Grade 8
36	£38,813	£38,813
37	£39,782	£39,782
38	£40,760	£40,760
39	£41,675	£41,675
40	£42,683	£42,683
41	£43,662	Not in use
		Grade 9
42	£44,632	£44,632
43	£45,591	£45,591
44	£46,732	£46,732
45	£47,896	£47,896
46	£49,101	£49,101
		Grade 10
47	£50,318	£50,318
48	£51,429	£51,429
49	£52,869	£52,869
50	£54,194	£54,194
51	£55,544	£55,544

NB: Point 41 is not in use

negotiations

s resulting from national

BASINGSTOKE AND DEANE BOROUGH COUNCIL  
 LOCAL VARIATION TO SALARY SCALES  
 2019 - 2020 SALARY SCALES  
 GRADES 11 - 14

SCP	Salary	Grade 11
52	£56,922	£56,922
53	£58,138	£58,138
54	£59,383	£59,383
55	£60,656	£60,656
		<b>Grade 12</b>
56	£61,965	£61,965
57	£63,309	£63,309
58	£64,658	£64,658
59	£66,056	£66,056
60	£67,467	£67,467
		<b>Grade 13</b>
61	£70,409	£70,409
62	£71,923	£71,923
63	£73,464	£73,464
64	£75,050	£75,050
65	£76,663	£76,663
		<b>Grade 14</b>
66	£78,309	£78,309
67	£80,735	£80,735
68	£85,275	£85,275
69	£88,982	£88,982
70	£92,852	£92,852

BASINGSTOKE AND DEANE BOROUGH COUNCIL  
 LOCAL VARIATION TO SALARY SCALES  
 2019 - 2020 SALARY SCALES  
 GRADES CD & CX

SCP	Salary	CD
71	£99,756	£99,756
72	£101,483	£101,483
73	£103,209	£103,209
74	£105,423	£105,423
75	£107,695	£107,695
		<b>CX</b>
76	£130,621	£130,621
77	£134,068	£134,068
78	£137,514	£137,514
79	£140,961	£140,961
80	£144,408	£144,408